

**BERKS COUNTY CONVENTION CENTER AUTHORITY
MINUTES OF THE REGULAR MEETING OF
THURSDAY, JUNE 20, 2013**

The regular meeting of the Board of Directors (the “Board”) of the Berks County Convention Center Authority (the “Authority”) was called to order at 7:00 a.m. in the SMG Board Room, the Sovereign Center, 700 Penn Street, Reading, Pennsylvania.

The following members were present:

Mr. P. Michael Ehlerman
Mr. Albert Boscov
Mr. Michael Fiucci
Mr. Burlee Adams
Mr. Brian D’Amico

The meeting was chaired by Mr. P. Michael Ehlerman.

Also present:

Mr. Zane Collings, SMG
Matthew Mayer, Esquire, Leisawitz Heller Abramowitch Phillips, P.C.
Ms. Hope Parkin, SMG
Mr. Matt Salkowski, SMG
Mr. Mark Wallace, Reading Royals
Ms. Stephanie Hackash, Reading Royals
Mr. Vaughn Spencer, Mayor, City of Reading

Mr. Carl Herbein and Mr. John Ernesto were absent.

The Chairman declared that a quorum was present and proceeded with the meeting.

There were no comments from the public.

Upon a motion duly made and seconded, the minutes of the regular meeting of the Board of April 18, 2013 were unanimously approved.

TREASURER’S REPORT

Mr. Ehlerman distributed and reviewed the two-month Treasurer’s Report containing the financials for the months of April and May 2013. Mr. Ehlerman noted that the Authority had total cash held of \$854,261.40 as of May 31, 2013.

Mr. Ehlerman advised that the hotel tax receipts continue to be positive. Upon reviewing the Treasurer’s Report, the hotel tax receipts for March and April 2013 were \$100,500.28 and \$106,485.10, respectively, which represented an increase of \$7,836.84 and a decrease of

\$9,822.53 when compared to the same months in 2012. However, the April reduction resulted from a late payment by one large payer and will be recovered in the May payment.

Mr. Ehlerman distributed the proposed budget for fiscal year 2014 and advised that the Board will conduct a Budget Workshop on June 26, 2013 at 4:00 p.m. to review, modify and approve the budget for fiscal year 2014.

Upon a motion duly made and seconded, it was unanimously moved to approve all the bills paid within the period and to pay all bills listed that had been unpaid during this period. Further, upon a motion duly made and seconded, the Treasurer's Report was approved.

SOLICITOR'S REPORT

Mr. Mayer stated that there was no significant legal activity to report.

MANAGEMENT REPORT

Mr. Collings distributed a press release featuring the two Sovereign Center Greater Reading Arts & Entertainment Scholarship Winners. Mr. Collings stated that he is looking for ways to market the scholarships better in hopes of securing more applicants next year.

Mr. Collings distributed the most recent event schedule for the Arena and SPAC and reported that ticket sales continue to be up and down, with some events selling very well and others selling poorly. Mr. Collings noted that the Theresa Caputo show sold out in one day, whereas the American Idol tour is selling poorly.

Mr. Wallace provided an update on the Reading Royals. After winning the Kelly Cup, season ticket renewals are doing well and are currently at 89% of last year's total sales. He noted that winning the Kelly Cup has helped increase the Royals' exposure in the local community and will hopefully lead to increased/new sponsorships. Mr. Wallace stated that he is still working on suite sales, with two new suite sales to be hopefully signed in the next two weeks. Mr. Wallace reported that the Royals received \$20,000 from the ECHL for winning the Kelly Cup, which after being applied to the Royals' \$35,000 travel expenses for the playoff, meant the team only had to pay \$15,000 for all playoff travel expenses. Mr. Wallace and Mr. Collings are working on ways to market and get exposure for the Royals and the Kelly Cup.

Mr. Salkowski noted that the new water meter was installed at the Arena at a cost of \$5,000 by the Jehovah's Witnesses. Mr. Collings announced that Mr. Salkowski will be leaving his position at the Arena to become the general manager of the Sands Event Center in Bethlehem, PA.

Mr. Collings advised that his employees continue work on the grant writing proposal process. Mr. Collings noted that the projected loss for the Arena and SPAC for the current fiscal year is \$762,000, which is \$24,000 less than the actual loss of \$786,000 last fiscal year.

NEW BUSINESS

Mr. Ehlerman noted that there was no new business to discuss and then announced that there would be an executive session following the public session for discussion of certain legal matters and that the Board would not reconvene after that meeting.

There being no further business before the Board at the public session, the Chairman announced that the next regular meeting of the Board would be held at the Sovereign Center at 7:00 a.m., Thursday, August 15, 2013. At 8:05 a.m., upon a motion duly made and seconded, the Board unanimously resolved to adjourn.